

Perception(s) of Special Requirements to Get Telephone Service

Table 2.10

The table opposite shows the percentages who believe each of the various items tested is a requirement for getting phone service by those who think they could get it versus those who think they could not or are not sure.

This provides a further test of the extent to which these beliefs affect perceived ability to get phone service.

Highlights

As shown opposite, those who think they could not get phone service or are uncertain if they could are no more likely to believe any of the items tested are required than are those who feel they could get it. This provides a further indication that while some of these beliefs are fairly widespread, especially that one needs a Social Security Card to get phone service, they do not, by themselves, appear to affect whether one has phone service or not nor whether one thinks one can get phone service or not.

Chapter 3.0 Past Experience with Telephone Service

Examines non-customers' past experiences with telephone service, viz.

Whether have had in past

Whether had as a child

If had in past:

Who decided to stop service: phone company or customer

Size of bill when decided to stop

Efforts made to continue service if phone company stopped it

If not had in past:

Whether have tried to get it

If YES: Why don't (you) have it?

If NO: Why not?

Experiences of non-customers are then compared to those of matched customers (where possible) to test the importance of these experiences in determining whether one has telephone service or not.

Past Experience with Phone Service

	<u>Non-customers</u>			<u>Hispanic</u>				
	<u>Total</u>	<u>GTE</u>	<u>PB</u>	<u>Tot</u>	<u>LD</u>	<u>NLD</u>	<u>Black</u>	<u>White</u>
	%	%	%	%	%	%	%	%
<i>As an adult</i>								
Have had	65	65	65	59	53	68	69	76
Not had	35	35	35	41	47	32	31	24
<i>As a child</i>								
Usually had	54	50	54	36	24	56	77	77
Did not	46	50	45	64	76	44	23	22
Yes to both	40	38	40	26	17	40	60	58
Yes child/no adult	14	12	14	11	7	16	17	19
Yes adult/no child	25	27	25	33	36	28	10	17
No to both	21	23	21	30	40	16	14	5
Base	(571)	(288)	(283)	(347)	(205)	(142)	(115)	(94)

Source: Q.22, 23(NG)

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Past Experience with Phone Service

Table 3.1

Non-customers were asked if they have ever had telephone service "since living on your own as an adult" and whether they "usually had" telephone service as a child.

Responses are shown opposite.

Highlights

About two-thirds of the non-customers (65 %) have had telephone service as adults. About one-third (35 %) have never had phone service as an adult.

Slightly more than half of the non-customers (54 %) "usually" had telephone service as a child, but 46 % did not.

By company: No significant differences are seen between the two companies' non-customers on this measure.

By ethnicity/race: White non-customers are the most likely to have had phone service in the past (76%). NLD Hispanics are as likely to have had it as Blacks (68 % and 69 % respectively). LD Hispanics are the least likely to have ever had service as adults: 53 %. White and Black non-customers are far more likely than Hispanic non-customers to have had phone service as children: 77 % vs. 36 %. Only 24 % of the LD Hispanics usually had phone service as children.

Past Experience as Factor Affecting Having Service Now

	<u>LD Hispanic</u>		<u>NLD Hispanic</u>		<u>Black</u>		<u>White</u>	
	<u>Non</u>	<u>Cust</u>	<u>Non</u>	<u>Cust</u>	<u>Non</u>	<u>Cust</u>	<u>Non</u>	<u>Cust</u>
	%	%	%	%	%	%	%	%
<i>As an adult</i>								
Have had (a)	53	87	68	86	69	86	76	93
Not had	47	13	32	14	31	14	24	7
<i>As a child</i>								
Usually had	24	18	56	50	77	65	77	78
Did not	76	81	44	51	23	33	22	23
Yes to both	17	17	40	49	60	59	58	75
Yes child/no adult	7	*	16	*	17	6	19	2
Yes adult/no child	36	69	28	37	10	25	17	17
No to both	40	12	16	13	14	8	5	5
Base	(205)	(201)	(142)	(146)	(115)	(112)	(94)	(98)

(a) Customers were asked, "Since living on your own as an adult, have you usually had phone service in your home?"

* Less than 0.5%

Source: Q.22, 23(NC); Q.19, 20(C)

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About Phone Service Last Had

• Among Non-Customers Who Had Phone Service

	Non-customers			Hispanic				
	<u>Total</u>	<u>GTE</u>	<u>PB</u>	<u>Tot</u>	<u>LD</u>	<u>NLD</u>	<u>Black</u>	<u>White</u>
	%	%	%	%	%	%	%	%
% Have had phone service	65	65	65	59	53	68	69	76
<i>When last had —</i>								
Within past 3 mos	28	30	28	28	26	30	23	31
Within past 6 mos (cum)	45	45	45	48	46	50	44	42
Within past year (cum)	62	70	61	66	64	69	62	53
1-3 yrs ago	14	12	14	14	16	12	19	9
3 or more years ago	23	17	24	19	19	19	16	35
In California (Yes)	90	98	89	90	88	92	96	85
Special reduced rate	43	35	44	41	52	27	53	42
Not special reduced rate	44	50	44	45	34	59	35	49
Don't know	12	15	12	13	14	12	13	10
Base	(372)	(187)	(185)	(206)	(107)	(99)	(84)	(73)

Source: Q.23, 24, 25, 28(NC)

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Past Experience as Factor Affecting Having Service Now

Table 3.2

The table opposite compares non customers' experience with phone service (as child and as adult) with the experiences of their matched customers. (Matched customers were asked if they "usually" had phone service in their home since living on their own as an adult.)

Highlights

Extent to which having telephone service as a child may affect having telephone service as an adult.

While there are large variations in the percentages who had telephone service as children across the ethnic/racial groups, having had phone service as a child does not appear to be a determinant in having phone service now: in all cases, non-customers are just as likely to have had phone service as children as customers and, in some cases, they show a somewhat greater tendency to have had phone service as children (see LD Hispanics, Blacks).

NOTE: Non-customers were asked: *"Since living on your own as an adult, have you ever had phone service in your home?"*
Customers were asked: *"Since living on your own as an adult, have you usually had phone service in your home?"*

About Phone Service Last Had

Table 3.3

Non-customers who have had telephone service as adults were asked how long ago that was, whether it was in California and whether it was the special, reduced rate service for lower income persons.

Responses are shown opposite.

Highlights

Most non-customers who had telephone service have had it within the past year (62%), and (45%) have had it within the past 6 months.

90% had the service in California.

About half (43%) say it was the special, reduced rate service for lower income persons, about half (44%) say it was not. Some (12%) could not say if it was or not.

By company: Pacific Bell's non-customers who had service in the past are more likely to say they had a "special, reduced rate service" than are GTE's: 44% vs. 35%.

By ethnicity/race: NLD Hispanics are notably less likely than others to say they had the special, reduced rate service: 27% vs. 52% of LD Hispanics, 53% of Blacks and 42% of Whites.

About Phone Service Last Had

• Among Non-Customers Who Had Phone Service

	Non-customers			Hispanic				
	<u>Total</u>	<u>GTE</u>	<u>PB</u>	<u>Tot</u>	<u>LD</u>	<u>NLD</u>	<u>Black</u>	<u>White</u>
	%	%	%	%	%	%	%	%
% Have had phone service	65	65	65	59	53	68	69	76
<i>Total monthly bill (a) —</i>								
\$200 or more	18	25	17	20	27	12	25	8
\$100 - 199	19	19	19	24	25	22	14	15
\$50 - 99	20	17	21	23	19	29	12	22
\$30 - 49	12	13	12	7	4	12	17	17
Less than \$30	13	10	13	8	7	9	19	17
Mean \$	134	165	131	152	184	113	144	92
Median \$	78	98	75	98	122	66	72	53
Can't remember	18	17	18	17	17	17	13	21
Base	(372)	(187)	(185)	(206)	(107)	(99)	(84)	(73)

(a) "Do you remember how much your total monthly phone bill was when you last had phone service? That's the total amount including all charges."

Source: Q.27 (NC)

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About Phone Service Last Had

Table 3 4

Non-customers who had phone service in the past (as adults) were asked, *"Do you remember how much your total monthly phone bill was when you last had phone service? That's the total amount including all charges."*

Responses are shown opposite.

Highlights

Most non-customers who had service were able to at least estimate the total amount of the bill when they last had service. The amounts show a wide range with half of the non-customers citing amounts less than \$78 and half citing amounts above \$78. The mean amount is \$134. Only about one in four cites an amount under \$50.

By company: GTE non-customers cite higher bills than Pacific Bell non-customers; however, it is not known if the person lived in the same area when they last had service.

By ethnicity/race: LD Hispanics cite the highest monthly bills -- much higher than their NLD Hispanic counterparts -- average monthly bill: \$184 among LD Hispanics vs. \$113 among NLD Hispanics. Blacks cite higher amounts than Whites although both groups have about a third saying the bill was less than \$50. (About one-quarter of Blacks and LD Hispanics cite amounts over \$200.)

Who Decided to Stop Service

• Among Those Who Had Phone Service

	Non-customers			Hispanic				
	<u>Total</u>	<u>GTE</u>	<u>PB</u>	<u>Tot</u>	<u>LD</u>	<u>NLD</u>	<u>Black</u>	<u>White</u>
	%	%	%	%	%	%	%	%
% Have had phone service	65	65	65	59	53	68	69	76
<i>Among this group, % who say —</i>								
Phone company stopped it (a)	46	51	46	45	40	52	66	32
Respondent stopped it	45	45	45	44	44	45	26	62
Base	(372)	(187)	(185)	(206)	(107)	(99)	(84)	(73)
<i>Projected to total —</i>								
Phone company stopped it (a)	30	33	30	27	21	35	46	24

(a) includes 4% who say both decided

Source: Q.28(NC)

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Who Decided to Stop Service

Table 3.5

Those who had phone service in the past were asked who decided to stop the service -- the phone company or themselves.

Highlights

Those who had phone service divide about equally into those who say the telephone company disconnected it (46%) and those who say they decided to stop it (45%). (4% said "both decided" -- they are included with the telephone company disconnects.)

By company: There are no differences between GTE and Pacific Bell in the percentages of past subscribers who say the phone company stopped the service.

By ethnicity/race: Incidence of telephone company disconnects among those who had service is highest among Blacks (66%) and lowest among Whites (32%). It is somewhat higher among NLD Hispanics than among LD Hispanics: 52% vs. 40%.

Incidence of Phone Company Disconnects

• Non-Customers vs. Matched Customers

	<u>Total</u>	<u>GTE</u>	<u>PB</u>	<u>Hispanic</u>				
	%	%	%	<u>Tot</u>	<u>LD</u>	<u>NLD</u>	<u>Black</u>	<u>White</u>
				%	%	%	%	%
<div><i>Non-customers</i></div>								
% Ever had service	65	65	65	59	53	68	69	76
% of ever hads who have had phone co. disconnect service ^(a)	46	51	46	45	40	52	66	32
% Phone company disconnects projected to total non-customers	30	33	30	27	21	35	46	24
Base	(571)	(288)	(283)	(347)	(205)	(142)	(115)	(94)
<div><i>Customers</i></div>								
% Have had phone company disconnect service	14	11	15	10	11	9	25	16
Base	(566)	(287)	(279)	(347)	(201)	(146)	(112)	(98)

Source: Q.23, 28, 29(NC); Q.21(C) (a) includes 4% who said both decided

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Incidence of Phone Company Disconnects: Non-Customers vs. Matched Customers

Table 3 6

The table opposite compares incidence of phone company disconnects among non-customers and the matched customers.

Highlights

As discussed earlier, most non-customers (65 %) have had telephone service in the past and about half of that group say the phone company disconnected the service. This translates to 30% of all non-customers who have had a phone company disconnect.

Among matched customers, only 14% say they have ever had the phone company disconnect their service. This suggests that, as a group, current non-customers are more prone, once having gotten phone service, to have the phone company disconnect their service than are current customers.

By company: There are no differences between the two companies on this measure.

By ethnicity: Black non-customers report the highest incidence of phone company disconnects, and White non-customers report the lowest incidence of phone company disconnects.

Why Respondent Stopped Service

	Non-customers			Hispanic				
	<u>Total</u>	<u>GTE</u>	<u>PB</u>	<u>Tot</u>	<u>LD</u>	<u>NLD</u>	<u>Black</u>	<u>White</u>
	%	%	%	%	%	%	%	%
% Have had phone service	65	65	65	59	53	68	69	76
Respondent stopped it	45	45	45	44	44	45	26	62
<i>Among respondent stopped, reason given (read list) —</i>								
Non cost related	<u>72</u>	<u>67</u>	<u>73</u>	<u>65</u>	<u>58</u>	<u>73</u>	<u>73</u>	<u>82</u>
Moved	43	44	43	38	32	44	57	49
No longer wanted	28	24	29	27	11	47	16	33
Cost related	<u>37</u>	<u>39</u>	<u>36</u>	<u>49</u>	<u>50</u>	<u>48</u>	<u>26</u>	<u>22</u>
Bill larger than expected	24	27	24	35	35	34	19	12
Couldn't control # calls	16	11	17	27	29	24	3	7
Others using it	15	13	15	24	15	35	5	4
Base	(166)	(84)	(82)	(94)	(48)	(46)	(26)	(42)
Projected to total "have had"								
R. decided for cost reasons	17	18	16	22	22	22	7	14
R. decided for other reasons	32	30	33	29	26	33	19	51
Phone company stopped it (a)	46	51	46	45	40	52	66	32
Base	(372)	(187)	(185)	(206)	(107)	(99)	(84)	(73)

(a) includes 4% who say both decided

Source: Q.28, 29(NC)

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About the "Phone Company Disconnects"

	Non-Customers			Hispanic				
	<u>Total</u>	<u>GTE</u>	<u>PB</u>	<u>Tot</u>	<u>LD</u>	<u>NLD</u>	<u>Black</u>	<u>White</u>
	%	%	%	%	%	%	%	%
% of non-customers who have had service and phone co. stopped it	30	33	30	27	21	35	46	24
<i>Contact phone co. to talk about bill</i>								
Yes	76	64	78	72	82	63	80	84
No	24	36	22	28	18	37	20	16
<i>Aware could arrange to pay on installments</i>								
Yes, aware	49	41	50	60	51	68	36	44
Not aware	51	58	50	40	49	32	64	56
<i>At time of disconnect —</i>								
R. wanted to continue	73	75	73	74	71	77	66	84
R. decided best to stop	27	25	27	26	29	23	34	16
Base	(182)	(95)	(87)	(97)	(48)	(49)	(54)	(26)
<i>Projected to total —</i>								
Phone co. stopped and R. wanted to continue	22	25	22	20	15	27	30	20

Source: Q.30, 32, 33(NC)

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Why Respondent Stopped Service

Table 3.7

Those who say they stopped service were read a list of possible reasons and asked, "*Why did you decide to stop getting phone service...was it because... (list of reasons)?*"

Highlights

In most cases where the respondent decided to stop service (not the phone company), the reasons reported are NOT cost related: 1/2 % say either that they were moving or that they simply no longer wanted phone service.

In slightly more than one-third of these situations (37%), the respondent indicates that he/she stopped service because of the cost. The cost related reasons suggest the bill had gotten too large and that often the reason for this was that they could not control the number of calls and/or others were using the phone.

By company: Among both companies, most of those who decided to stop service did so for non-cost related reasons, i.e. moved or no longer wanted it.

By ethnicity/race: Among Whites, Blacks and NLD Hispanics, most of those who decided, themselves, to stop their service give reasons not necessarily related to cost, i.e, moved or no longer wanted it. Hispanics, however, more so than the other groups, mention cost as a factor affecting their decision to stop service: for example, as shown opposite, half of the Hispanics give cost related reasons (compared to only about a quarter of the Blacks and Whites who stopped service themselves).

About the "Phone Company Disconnects"

Table 3.8

All those who have had phone service discontinued by the phone company were asked a series of questions to determine whether they tried to do anything about it and if not, why not.

Highlights

The large majority of those who had service disconnected say they called the phone company about it: 76%. However, about one-fourth of the disconnects (24%) did not do so. (See reasons on Table 3.11.)

While about half (49%) of the disconnects say they were aware they could arrange to pay the amount owed on an installment plan, about half (51%) were not aware of this option. ^(a)

Most of those who had their service disconnected by the phone company would have liked to have continued their service (73%). Only about a quarter of them (27%) say that they also felt it was best to stop service.

(Projected to total non-customers, 22% had service disconnected and wanted to continue.)

By company: Both companies' disconnected customers report the same general pattern of response although Pacific Bell disconnects are more likely to have contacted the phone company. (They are no more likely to be aware they could pay on an installment plan.)

By ethnicity/race: Bases are very small when one gets down to this level of analysis. Hispanic disconnects are, if anything, more likely to be aware they could have arranged to pay on an installment plan than are Blacks or Whites, and LD Hispanics are, if anything, more likely than their NLD Hispanic counterparts to have called the phone company about the disconnect.

(a) Further examination of the data shows that those aware of the installment option are no more likely to have called than those not aware of it; thus, it does not appear that this affects likelihood of calling.

	Aware of installment option	Not aware of installment option
% who contacted phone company	81	72
Base	(84)	(97)

Experiences of Phone Company Disconnects

• Non-Customers vs. Matched Customers

	<u>Total Non-Customers</u> %	<u>Customers</u> %
<i>Contact phone co. to talk about bill</i>		
Yes	76	74
No	24	26
<i>Aware could arrange to pay on installment</i>		
Yes, aware	49	63
Not aware	51	35
<i>At time of disconnect —</i>		
R. wanted to continue	73	71
R. decided best to stop	27	29
Base (phone co. stopped service)	(182)	(69)

Source: Q.30, 32, 33(NC); Q.22, 24, 25(C)

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Experiences of Phone Company Disconnects: Non-Customers vs. Matched Customers

Table 3.9

The table opposite compares the behavior of non-customers who had their service disconnected with those of the matched customers.

Highlights

Non-customers who have had their phones disconnected by the telephone company are just as likely as current customers who have had this experience to call the telephone company about it. 76% vs. 74%.

Non-customers who have experienced disconnects are also just as likely to have wanted to continue their service as customers who have experienced this.

One thing does seem to be different: Customers who have had a disconnect are somewhat more aware that they can arrange to have the amount due put on an installment plan than are non-customers: 63% aware among customer disconnects vs. 49% aware among non-customer disconnects.

Thus, both groups are equally likely to have called the phone company and equally likely to have wanted to continue their service, but customers were more aware of the installment plan than non-customers.

NOTE: It does not appear that awareness of the installment plan was an important determinant of whether they called or not. Non-customers were just as likely as customers to have contacted the phone company when they were disconnected.

Reason(s) Respondent Decided Best to Stop

	<u>Non-customers</u>				<u>Matched Customers</u>
	<u>Total</u>	<u>GTE</u>	<u>PB</u>	<u>Hispanic Total</u>	<u>Total</u>
	%	%	%	%	%
% of phone co. disconnects where R. decided best to stop	27	25	27	26	29
<i>Reason R. decided best to stop (read list) —</i>					
Cost related (net)	<u>93</u>	<u>87</u>	<u>93</u>	<u>99</u>	<u>93</u>
Bill larger than expected	82	71	83	88	50
Others using phone	35	29	35	21	43
Couldn't control # calls	28	25	28	18	33
Other (net)	<u>17</u>	<u>17</u>	<u>17</u>	<u>2</u>	<u>18</u>
No longer wanted service	12	13	12	1	9
Did not understand charges	10	4	10	1	9
Base	(48)	(24)	(24)	(25)	(13)

Source: Q.33, 34(NC), Q.25, 26(C)

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Reason(s) Respondent Decided Best to Stop

Table 3.10

As noted earlier, most phone company disconnects wanted to continue with their service. (Presumably they could not do so because of the unpaid balance on the bill.)

However, about one in four of the phone company disconnects say they felt it would be best to stop. They were read a list of possible reasons and asked, "is it because...(read list)?"

NOTE: The base (N) for this level of analysis is quite small -- only 48 of the 571 non-customers interviewed are phone company disconnects who felt it was best to terminate.

Highlights

Not surprisingly, most of the disconnects who, themselves, also wanted service discontinued cite cost as the reason: the bill was larger than they expected, others used the phone, they couldn't control the number of calls. (A list of reasons was read to respondents as part of the question.)

Reasons Did Not Contact Phone Company

• Among Phone Co. Disconnects

	<u>Non-customers</u>				<u>Matched Customers</u>
	<u>Total</u>	<u>GTE</u>	<u>PB</u>	<u>Hispanic Total</u>	<u>Total</u>
	%	%	%	%	%
% of phone co. disconnects who did <u>not</u> call	24	36	22	28	26

Reasons did not call (volunteered) —

No longer wanted service	25	9	28	10	-
Did not have money to pay bill	20	47	15	30	28
Did not think it would help/ did not know you could do that	11	3	12	18	21
No longer had phone	11	6	12	10	11
Just forgot to pay/misplaced bill	3	18	-	2	10
Mistake by phone company	*	3	-	1	22
Base	(53)	(34)	(19)	(32)	(17)

Reasons Did Not Contact Phone Company

Table 3.11

As described earlier, most of the disconnects called the phone company about their service. Only about one in four did not do so. This group was asked to describe why they did not contact the phone company.

NOTE: There were only 53 non-customers in total who were asked this question.

Highlights

The reasons for not calling the phone company after service was disconnected fall into several categories, no one of which represents the majority of the responses:

- Some say they no longer wanted service,
- Some say they did not have the money to pay the bill and
- Some say they did not think it would help.

About Efforts to Get Phone Service

• Among Those Who Have Never Had It

	Non-customers			Hispanic				
	<u>Total</u>	<u>GTE</u>	<u>PB</u>	<u>Tot</u>	<u>LD</u>	<u>NLD</u>	<u>Black</u>	<u>White</u>
	%	%	%	%	%	%	%	%
% Never had phone service	35	35	35	41	47	32	31	24
<i>Among this group —</i>								
Have tried to get it	21	19	21	22	18	30	26	9
Not tried to get it	79	80	79	78	82	69	74	91
Base	(199)	(101)	(98)	(141)	(98)	(43)	(31)	(21)
<i>Among those who tried to get it —</i>								
When tried —								
Within past 3 mos	39	26	40	40	56	17	46	
Within past 6 mos (cum)	62	58	62	63	84	35	50	93
Within past year (cum)	75	73	75	73	86	54	73	93
Within past 3 years	81	84	81	81	99	55	73	100
3 or more years ago	19	16	19	19	1	45	27	-
Base	(39)	(19)	(20)	(26)	(18)	(8)	(8)	(3)

Source: Q.35, 36(NC)

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